# CENTRAL INTELLIGENCE AGENCY

# INFORMATION REPORT

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## Fuel and Power

- 1. The consumption of electric current in the J. Dimitrov plant of Avia, National Corporation, in Prague-Letnany is critical. This can be said about the fuel reserves as well. The daily "economy and production" conference of the plant management touches on this problem and provides for preventive emergency steps in this field. Allocation of electric energy is obtained by application to the Ministry of General Engineering and to the Ministry of Fuel and Power. Applications must be backed by production figures and work norms set up by the planning section of the individual assembly shops. The Ministry of Fuel and Power restricts the consumption of electric current to the minimum and enforces this egulation by frequent checkups. Time schedules of individual shifts are strictly kept. This applies both to assembly shops and offices. Employees arriving at work early cannot claim any payment for the unscheduled time. This mainly concerns white collar workers.
- 2. The plant has two engine rooms: A-1, whose two boilers give 14,000 calories; and A-2, whose two boilers give 18,000 calories. The total fuel consumption for 24 hours for both plants (Zavod I and Zavod II) is 1,800 q. (quintal).
- Care in the distribution of fuel is carried to extreme limits. If, for example, other plants (external suppliers of accessories, etc.) require assistance from Avia in production, part of their electrical current and fuel allocations must be diverted to Avia first. But, in spite of everything, Avia faces a critical coal shortage. The Ministry of Fuel and Power is unable to send necessary coal supplies as required by the plant. Faced with this situation the Ministry of General Engineering shifts single tons of coal from one plant to another in order to stop the gaps. This explains why one can see a single coal truck speeding to the engine room or why a single coal wagon (200 q.) can be seen being hastily unloaded. There is no chance of building up coal reserves. Should the critical coal supply remain unimproved, the Ministry of Fuel and Power will instruct Avia to send voluntary brigades to the mines to dig its own coal. Heating of offices and living quarters (200 Centigrade in 1952) is permitted only up to

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18° Centigrade. Assembly shops are heated to 15° Centigrade (18° Centigrade in 1952).

- 4. Applications for fuel have to be submitted in the same way as electric current applications and have to be backed by the same production data; by the plan of production hours (coordinated with the production plan), followed by evidence that some percentage of fuel saving has been reached—usually 10 to 15 percent).
- 5. Compressed air production is as follows:

Plant I (Zavod I) 1 compressor, capacity 6.5 cubic meters per minute.
1 compressor, capacity 20.0 cubic meters per minute.
1 compressor, capacity 36.0 cubic meters per minute.

Plant II (Zavod II) 2 compressors, capacity 27.0 cubic meters per minute.

### Factors Limiting Production

- 6. Production is limited in the first place by the quantity of material obtainable. By this is meant raw material in general and semi-finished products. These are supplied by external suppliers who cannot fill the orders, partly because aircraft materials require accuracy and skill, partly because their machinery is obsolete and unsuitable for accurate production. For the production of high quality semi-finished products (parts), needed raw material is of low quality and scarce. Supply of materials of all kinds to the auxiliary industry and even supply of ready-made parts to Avia from individual suppliers is irregular and unpredictable. This affects the stability of production. In some cases, when the orders are filled (under the threat of the Five-Year Plan Protection Law), the semi-finished products are defective. Generally speaking, aircraft production depends on the availability of a sufficient quantity of high quality material. Such material is cut of reach.
- 7. Another drawback to production is manpower. Workers' ranks were reinforced rapidly by new workers who never before worked in a factory, much less in aircraft factories. Avia has a training center for new workers, but it is very doubtful if this training center teaches the pupils how to like their new jobs. Many of the new workers have been recuited under compulsion and move quickly only at the end of the working day when they leave the factory gate. Many of them secretly carry on their former trades in their homes and earn more money there than at Avia.
- 8. It is obvious that such manpower costs Avia irreparably in damage to machinery, tools and scarce material. In this case even the slogans about peace and the high living standard cannot help, as every worker sees that the products of his work go exclusively to the army.
- 9. Another mistake by the cadre department affects the production standard. The cadre department is aware that Avia personnel includes many skilled aircraft technicians. Some of these are non-Party members or "reaction-aries" and thus deemed unsuitable to fill responsible positions. But production and politics do not mix easily. Key personnel in the factory who are very active in politics are usually dilettantes or incompetent workers.
- Work Norms

  10. Work norms at the J. Dimitrov plant of Avia are "soft." To make the work norms correspond to a real efficiency standard, qualified technologists (calculating personnel)-experts on aircraft production-are needed. They should demonstrate practically the operations evaluated by them. Avia does not have such qualified experts. But even if they were available,

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they would not make the norms more accurate. The reason is that the workers are protecting their wages in view of high living costs. The average wage in Avia is 35 Kcs. per hour, but even such hourly wages as 45 or 60 Kcs. per hour are frequent. In spite of the request of the Party and the Revolutionary Trade Union Movement (ROH) to lower production costs, the management does not succeed in introducing accurate norms; the workers, Party members or non-Party, maintain strong solidarity on this point. Management, Party and union failed in demonstrating how a special operation can be performed more quickly or cheaply. Using specially trained shockworkers, they tried to lower the production cost of individual parts. But the workers understood that such reductions could not exist without affecting other operations and the tempo of work. The resistance of the workers was assisted by the non-fullfilment of plans. As long as production does not correspond to the prescribed plans, any effort to make the norms more accurate will be futile. For example, before Christmas 1952, some of the workers (final assembly parties) worked for 36 hours without interruption. The plans had to be fulfilled at any cost, and some of these workers, who had to be paid at normal rates, accumulated such wage reserves that work at the beginning of 1953 had to be slowed down in order to pay the 1952 wages.

11. Real difficulty in making the norms more accurate started even at the beginning of production. Soviet documentation evaluated individual operation as far as time and money were concerned, but the difference of the ruble-Czech crown rate has to be considered here. Moreover the Czech worker is more intelligent and resourceful than the simple Russian worker. Soon after the start of new production, many shops produced their own gadgets improving or simplifying production. Thus the time necessary for individual operations was cut down and norms improved. As Avia used to produce aircraft even during the German occupation, Czech workers learned how to prevent control of work norms, and this makes it likely that they will frustrate the effort of management to make the work norms more accurate in the future as well.

### Number of Employees

12. The total number of employees on 31 December 1952 was 8,258. Of this number approximately one third were women.

## Salaries and Wages

There are two payment categories, viz., white collar workers and laborers. First category wages suffered because of the salary reforms, which in every v aspect lowered the former wage scale. It is hard to estimate how much this category will be affected by wage cuts as pay changes are still recent. But new pay restrictions will be reflected in the working morale of white collar workers, as the maximum wage limit of 8,400 Kcs. (gross) must not be exceeded. This means that many employees will do overtime without being paid for it. Furthermore, the new salary scale draws a line between administrative and technical employees. This promotes rivalry between these two categories and the bitter feeling that one is not recompensed for working efficiency but for being classified in one of the above categories. The exact salary scale of white collar workers was published in the Official Gazette (Uredni List) of 14 February 1953. Technical employees' wages are based upon the State Catalogue of Wages. Its wage schedule (see Annex) is supposed to guide the personnel calculating compensation for working time. If the regulations of the State Catalogue were to be followed, the production plans which are behind schedule now would reach bottom. Therefore, to the mutual satisfaction of both the workers and the calculating personnel, the latter stick to the pages of the State Catalogue, but estimate the time necessary for individual operations so high that the wage per hour can reach from 35 to 60 Kcs. per hour. In the factories where the State Catalogue regulations are honored, the workers are forced to produce twice as

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much for the same hourly wage as they had before the introduction of new norms. But this can be done only by factories whose products are not so important for the "preservation of peace." War plants must overlook the State Catalogue wages, as it is impossible to ask for responsible personnel and pay 24 Kcs. per hour as a maximum wage.

## . Working Conditions

- 14. An important point affecting workers' morale is the transportation of workers. As the authorities have failed to improve the transportation system, an average Avia employee spends about three hours of his time in traveling to and from his work. The trip is far from being easy. Safety measures are violated freely. There is a shortage of buses, trolleys, and spare parts for both of them. Avia used to produce buses some time ago; these buses are still in use on the Czechoslovak Railways, but spare parts are non-existent. Workers arrive at their machines with mixed feelings and lack the necessary morale because of this situation. Improvement is not in sight. Overcrowded streetcars, sprints from the bus stops, cursing, fights, and arrests are daily occurrences.
- 15. Already difficult working conditions are made worse by the shortage of electric current, water, and fuel. Working schedules are unpredictable. One day one starts at his desk at 6:00 a.m., another day at 8:00 a.m., and the next week maybe at 10:00 a.m. because the power station cannot meet requirements. Wives, exhausted by daylong work, stand in queues to buy food. Even if they are successful and get something to buy, they face another problem: how to cook their meals without any illumination. There is often no current in the factories, no current in the households. But everyone has to work somehow.

#### <u>Shifts</u>

16. Generally the three-shift system is used. The shift schedule varies according to the supply of electric current. This leads to a chaotic situation, and an exact survey of shifts is impossible. The normal shift schedule was as follows:

6:00 a.m. to 2:00 p.m. 2:00 p.m. to 10:00 p.m. 10:00 p.m. to 6:00 a.m.

Personnel not using the shift system work 12 hours. This was an emergency measure which was to help fulfill the plans, but once it came into use, it stayed.

## Responsibility of the Plant Director

17. The plant director is responsible to the Ministry of General Engineering via its main administration (Hlavni Sprava). From this office he receives specific instructions for the fulfillment of plans. Through the Ministry he tries to eliminate production difficulties of major character and straighten out supply problems with auxiliary industries.

### Help or Assistance Received from the USSR

18. With the exception of documentation (plans, technological instructions, and metallurgical instructions concerning processing of material) which in most cases had to be revised in order to fit the practical conditions of work, the factory receives no assistance from the USSR. Soviet experts were also sent to supervise production, but no material was supplied by the USSR. It must be added that the documentation received from the USSR was meant for the production of the very first series of Stormovik aircraft.

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All changes and improvements which occurred during production were omitted on the plans. If the changes were noted on the plans, they were sometimes those which had been abandoned in the course of production or replaced by other improvements. Avia was in a critical situation. Plans had to be fulfilled, but production could not be properly started in view of the above problems. In the first half of 1952, the factory was behind schedule. Plans had to be fulfilled during the second half of the year by the so-called Sturmovstina method, with reckless exploitation of manpower and working time. This is the shock-work method.

### Repairs and Repair Parts

19. The Avia factory is supposed to do its own servicing and to supply individual army formations with spare parts. But the spare parts reserve situation is critical. President Gottwald informed the Soviet Communist Party in the fall of 1952 that the factory would fulfill its goal as of the date of Stalin's birthday. As a result, spare part depots were raided in such a way that nobody knows anymore what the situation in spare parts actually is. Organization of depots is primitive. The bad situation in this field is aggravated by the unqualified personnel whose knowledge of aircraft parts is negligible. These persons have responsibility for the issuance of parts for the individual assembly series. A spare parts reserve does not exist and will not exist in the near future.

Annex: Table showing rate of hourly pay in Czech crowns at the J. Dimitrov Plant of Avia, at Prague-Letnany.

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